

ZIEGLER INVESTMENT BANKING
CASE STUDY

HOLLAND HOME

CLIENT PROFILE

Holland Home Obligated Group (the Corporation) was formed in 1892 in Grand Rapids, Michigan, and was officially incorporated in 1941. Holland Home is Michigan's largest not-for-profit provider of senior services and was the first registered Continuing Care Retirement Community in the state. The Corporation ranks as #55 on the 2016 *LeadingAge Ziegler 150* by total senior living units. Holland Home consists of four campuses located throughout Grand Rapids, including Breton Woods, Raybrook, Fulton and Trillium Woods with a total of 1,414 units. Currently, Holland Home is comprised of 723 independent living apartments, 450 assisted living units and 241 nursing beds.

TRANSACTION HIGHLIGHTS

The purpose of this transaction was to take advantage of the lower interest rate available and resulting savings by refunding Holland Home's existing Series 2006A Bonds. In addition, over the next five years, Holland Home plans to reposition its Raybrook Manor with a project estimated to cost approximately \$16.0 million (the Project). The Corporation plans to fund a portion of the Project with approximately \$8.5 million of Series 2016 Bond proceeds, \$5 million of fund raising, and the balance with cash flow. The redevelopment will include an expanded memory care unit, along with other significant renovations. The additional debt used for the Project was financed with the annual cash flow savings created from the refunding of the Series 2006A Bonds. This allowed Holland Home to eliminate its equity contribution to the Project with nominal impact to its annual debt service requirements.

Due to various issuer requirements, Holland Home needed to issue the Series 2016 Bonds (rated BBB- (stable) by Fitch) through two Issuers: the Economic Development Corporation of the City of Kentwood (the



\$39,635,000
COMPOSITE ISSUE
HOLLAND HOME OBLIGATED GROUP

EDC) and the Michigan Strategic Fund (the MSF).

The proceeds of the EDC Bonds were used to (i) refund all of the outstanding Series 2006A Bonds totaling \$32,375,000, (ii) fund a debt service reserve fund and (iii) pay the costs of issuance.

The proceeds of the MSF Bonds were used to (i) pay or reimburse the Corporation of certain costs of acquiring, constructing, installing and equipping the Project, (ii) fund a debt service reserve fund and (iii) pay the costs of issuance.

THE ZIEGLER DIFFERENCE

Holland Home and Ziegler have a long-standing relationship filled with multiple financings dating back to 1994. This relationship played an integral role in the efficiency of the processing of the Series 2016 financing.



REFERENCES

For references on Ziegler's role in this financing, please contact:

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For further information on the outstanding bonds for this issuer, please visit the Electronic Municipal Market Access system at <http://emma.msrb.org/>.

This client's experience may not be representative of the experience of other clients, nor is it indicative of future performance or success.

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